

# MEDICAL DISPUTE RESOLUTION FINDINGS AND DECISION

## PART I: GENERAL INFORMATION

<b>Type of Requestor:</b> (x) HCP ( ) IE ( ) IC	<b>Response Timely Filed?</b> ( ) Yes (x) No
Requestor's Name and Address RHD Memorial Medical Center P O BOX 809053 Dallas, Texas 75380	MDR Tracking No.: M4-04-1411-01
	TWCC No.:
	Injured Employee's Name:
Respondent's Name and Address AMERICAN CASUALTY CO OF READING PA BURNS ANDERSON JURY & BRENNER PO BOX 26300 AUSTIN TX 787550300 Box 47	Date of Injury:
	Employer's Name: Fresenius Medical
	Insurance Carrier's No.: 900000008

## PART II: SUMMARY OF DISPUTE AND FINDINGS

Dates of Service		CPT Code(s) or Description	Amount in Dispute	Amount Due
From	To			
02-17-03	02-24-03	Surgical Admission	\$59,108.09	\$59,067.75

## PART III: REQUESTOR'S POSITION SUMMARY

Carrier applied the stop loss rule incorrectly. Carrier decided, with no specific explanation that our charges "audited" below stop loss and paid the per diem only.

## PART IV: RESPONDENT'S POSITION SUMMARY

Carrier has determined that line charges for this 7 day medical stay is excessive. Audit charges per rule 134.301(c)(6) fall below \$40,000; therefore, the stop-loss threshold does not apply. Appropriate fair and reasonable fees for some or similar stay would not exceed \$40,000 stop-loss threshold; therefore, surgical per diem was applied as fair and reasonable.

## PART V: MEDICAL DISPUTE RESOLUTION REVIEW SUMMARY, METHODOLOGY, AND/OR EXPLANATION

This dispute relates to inpatient services provided in hospital setting with reimbursement subject to the provisions of Rule 134.401 (Acute Care Inpatient Hospital Fee Guideline). The hospital has requested additional reimbursement according to the stop-loss method contained in that rule. Rule 134.401(c)(6) establishes that the stop-loss method is to be used for "unusually costly services." The explanation that follows this paragraph indicates that in order to determine if "unusually costly services" were provided, the admission must not only exceed \$40,000 in total audited charges, but also involve "unusually extensive services."

After reviewing the documentation provided by the provider, primary procedure lumbar and lumbosacral fusion and significant drainage from the lumbar drain postoperatively, it **does** appear that this particular admission involved "unusually extensive services." Accordingly, the stop-loss method does apply and the reimbursement is to be based on the stop-loss threshold. Using the stop-loss methodology the total allowable WCRA is \$66,893.75 (\$89,245.46 total audited charges minus proper audit reductions of \$53.79 = \$89,191.67 X 75%).

The carrier has reimbursed the provider \$7,826.00.

Based on the facts of this situation, the parties' positions and the application of the provisions of Rule 134.401(c), we find that the health care provider is entitled to an additional reimbursement for these services equal to \$59,067.75 (total allowable WCRA of \$66,893.75 minus carrier payment of \$7,826.00)

**PART VI: COMMISSION DECISION**

Based upon the review of the disputed healthcare services, the Medical Review Division has determined that the requestor is entitled to additional reimbursement in the amount of \$59,067.75. The Division hereby **ORDERS** the insurance carrier to remit this amount plus all accrued interest due at the time of payment to the Requestor within 20 days of this Order.

Ordered by:

Allen McDonald

04-01-05

Authorized Signature

Typed Name

Date of Order

**PART VII: YOUR RIGHT TO REQUEST A HEARING**

Either party to this medical dispute may disagree with all or part of the Decision and has a right to request a hearing. A request for a hearing must be in writing and it must be received by the TWCC Chief Clerk of Proceedings/Appeals Clerk within 20 (twenty) days of your receipt of this decision (28 Texas Administrative Code § 148.3). This Decision was mailed to the health care provider and placed in the Austin Representatives box on \_\_\_\_\_. This Decision is deemed received by you five days after it was mailed and the first working day after the date the Decision was placed in the Austin Representative's box (28 Texas Administrative Code § 102.5(d)). A request for a hearing should be sent to: Chief Clerk of Proceedings/Appeals Clerk, P.O. Box 17787, Austin, Texas, 78744 or faxed to (512) 804-4011. A copy of this Decision should be attached to the request.

The party appealing the Division's Decision shall deliver a copy of their written request for a hearing to the opposing party involved in the dispute.

**Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.**

**PART VIII: INSURANCE CARRIER DELIVERY CERTIFICATION**

I hereby verify that I received a copy of this Decision and Order in the Austin Representative's box.

Signature of Insurance Carrier: \_\_\_\_\_ Date: \_\_\_\_\_